

THE HONORABLE JAMES L. ROBERT

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

CALIFORNIA EXPANDED METAL
PRODUCTS COMPANY,
et al.,

Plaintiffs,

v.

JAMES A. KLEIN, et al.,

Defendants.

CASE NO. 2:18-cv-00659-JLR

~~PROPOSED~~ PRETRIAL ORDER



JURISDICTION

This Court has personal jurisdiction over Plaintiffs California Expanded Metal Products Company ("CEMCO") and Clarkwestern Dietrich Building Systems LLC ("ClarkDietrich") (collectively "Plaintiffs") because Plaintiffs consented to jurisdiction in this judicial district.

This Court has personal jurisdiction over Defendants James A. Klein, BlazeFrame Industries, Ltd., and Safti-Seal, Inc. (collectively "Defendants") because, with respect to BlazeFrame Industries, Ltd., and Safti-Seal, Inc., their principal place of business is located within this judicial district, and with respect to Klein, his domicile is located within this judicial district.

Venue is proper pursuant to 28 U.S.C. § 1391(b)(2) because a substantial part of the events or omissions giving rise to the claims and counterclaims occurred in this judicial district, and

1 pursuant to 28 U.S.C. § 1400(b) because Defendants reside in, committed acts of infringement in,
2 and have a regular and established place of business in this judicial district.

3 Federal subject matter jurisdiction exists pursuant to 28 U.S.C. §§ 1331 and 1338(a) because
4 this case arises under federal law, namely United States patent law, 35 U.S.C. §§ 100 et seq.

5 Supplemental jurisdiction exists over Plaintiffs' state law claims pursuant to 28 U.S.C. §
6 1367(a).

7 Subject matter jurisdiction is also proper in this Court pursuant to 28 U.S.C. § 1332 because
8 there is complete diversity and the amount in controversy exceeds \$75,000.
9

10 CLAIMS AND DEFENSES

11 The Plaintiffs will pursue at trial the following claims:

12 1. Patent Infringement – 35 U.S.C. § 1, *et. seq.*

13 a. Direct Infringement -- 35 U.S.C. §271(a) -- of Safti-Frame products by
14 SaftiSeal

15 b. Induced Infringement – 35 U.S.C. § 271(b) -- of Safti-Frame and Safti-Strip
16 products by SaftiSeal and James Klein
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18 c. Contributory Infringement – 35 U.S.C. § 271(c) -- of Safti-Frame and Safti-
19 Strip products by SaftiSeal and James Klein

20 4. Breach of Contract by BlazeFrame Ind. and James Klein

21 The defendant will pursue the following affirmative defenses and/or claims:

22 1. No Direct Infringement

23 2. No Contributory Infringement

24 3. No Induced Infringement

25 4. Failure to Join

26 5. Failure of Causation
27
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ADMITTED FACTS

The following facts are admitted by the parties:

1. Klein is the named inventor of the following patents: U.S. Patents No. 7,681,365 (“the ’365 Patent”), No. 7,814,718 (“the ’718 Patent”), 8,136,314 (“the ’314 Patent”), and No. 8,151,526 (“the ’526 Patent”) (collectively and individually, “the Asserted Patents”)
2. Klein, BlazeFrame Ind., ClarkDietrich, and CEMCO were parties in the case *CEMCO v. ClarkDietrich, Klein, and BlazeFrame*, Case No. CV12-10791 (“the 10791 Case”).
3. In settlement of the 10791 Case, among other things, BlazeFrame sold the Asserted Patents to CEMCO, who is now the owner of the patents.
4. The resolution of the case *California Expanded Metal Products Company and Clarkwestern Dietrich Building Systems LLC, d.b.a. ClarkDietrich Building Systems v. James A. Klein, and BlazeFrame Industries, Ltd.*, Case No. CV 16-cv-5968 resulted in the 5968 Settlement Agreement.
5. Safti-Seal was incorporated in September 2017.
6. Klein is the sole owner and principal of Safti-Seal.
7. Defendant Safti-Seal sold, and continues to sell, the Safti-Frame product and the Safti-Strip product (i.e., the intumescent strip comprising intumescent material and a thermal barrier, that is sold separately from the track product).
8. The Safti-Seal products used to build fire-rated wall assemblies that are approved by UL as shown by the following Safti-Seal UL Listings:
 - a. HW-D-0495 – Beam Penetration
 - b. HW-D-0496 – Shaft Wall under PT or Structural Concrete
 - c. HW-D-0498 – Standard Wall under PT or Structural Concrete
 - d. HW-D-0499 – Parallel to Fluted Deck
 - e. HW-D-0502 – Parallel & Edge Overlap Under Structural Support

ISSUES OF LAW

unresolved impact, if any.

- a. HW-D-0495 – Beam Penetration
- b. HW-D-0496 – Shaft Wall under PT or Structural Concrete
- c. HW-D-0498 – Standard Wall under PT or Structural Concrete
- d. HW-D-0499 – Parallel to Fluted Deck
- e. HW-D-0502 – Parallel & Edge Overlap Under Structural Support
- f. HW-D-0503 – Under “Layer Type C” UL G500 Series

Patents; (2) contributory and/or induced infringement of the Asserted Patents; (3) that Defendants used Safti-Seal's website, Safti-Seal UL Listings, and Safti-Seal's emails to instruct third parties to infringe the Asserted Patents; and (4) a reasonable inference that direct infringement by third parties occurred as a result of Defendants' instructions.

3. Whether Defendant Safti-Seal contributorily infringes, and/or induces infringement, pursuant to 35 U.S.C. § 271, et seq. of at least one claim of each of the Asserted Patents.

4. Whether if Safti-Seal is found liable for patent infringement, Defendant Klein is personally liable for contributory and/or induced infringement of the Asserted Patents.

5. Whether Plaintiffs are entitled to recover a reasonable royalty from Defendants attributable to their patent infringement.

6. Whether Plaintiffs are entitled to recover their lost profits attributable to Defendants' patent infringement.

7. Whether, if Defendants are found liable for patent infringement, such infringement was Willful because Defendants did not have a good faith basis to establish non-infringement after the Court's Claim Construction Order dated April 17, 2019 or after the Court's Order on Cross-Motions for Summary Judgment dated August 14, 2019.

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- g. HW-D-0504 – Shaft Wall under Fluted Deck
 - h. HW-D-0505 – Chase Wall under PT or Structural Concrete
 - i. HW-D-0506 – Chase Wall Perpendicular Fluted Deck
 - j. HW-D-0512 – Perpendicular Coated Pan Deck w/Fire Proofing Flute Fill
 - k. HW-D-0513 – Perpendicular Bare Pan Deck w/Mineral Wool Fill
 - l. HW-D-0543 – Stair Shaft Floor Line Joint (093 Control Joint Optional)
 - m. HW-D-0544 – Parallel to Fluted Deck (Ribbed Flute Plate Cover)
 - n. HW-D-0558 – Offset Leg Standard Wall Protected Roof Deck/Substrate
 - o. HW-D-0559 – Offset Leg Shaft Wall Protected Roof Deck/Substrate
 - p. HW-D-0597 – Parallel to Beam (Z-clip / Drywall Rip)
 - q. HW-D-0631 – Shaft Wall Parallel & Edge Overlap Under Structural Support
 - r. BWW-S-0021
 - s. WW-S-0055

~~13. Motions in limine pending:~~

OTHER WITNESSES

The names and addresses of witnesses, other than experts, to be used by each party at the time of trial and the general nature of the testimony of each are:

(a) On behalf of plaintiff:

Plaintiffs have not separately listed, but may call in its case, any witness listed by Defendants and any witnesses necessary to the admissibility of a proposed exhibit where no stipulation is reached. Plaintiffs also reserve the right to call witnesses not listed below as rebuttal witnesses to the extent that the necessity of the rebuttal testimony cannot reasonably be anticipated before trial. Where an individual has been deposed, the area of testimony includes any subject explored in the deposition.

Subject to the foregoing, Plaintiffs identify the following witnesses that it plans to call at trial:

1. Tom Porter, 13191 Crossroads Parkway North, Suite 325 City of Industry, CA 91746; will testify regarding the overall business of CEMCO, history of the company, its business model and products, and matters relating to the settlement agreement for the prior case, CEMCO's strategic decisions concerning the intumescent track products, and the negotiation processes that CEMCO had with Klein.
2. Don Pilz, 13191 Crossroads Parkway North, Suite 325 City of Industry, CA 91746; will testify regarding the product history of the intumescent track products and the use of the Accused Products to make fire-rated wall assemblies in accordance with the claims of the Asserted Patents.

history among the parties, the market for intumescent products, infringement, and damages.

EXHIBITS

Plaintiffs: See Plaintiffs' Exhibit List attached as Exhibit A (including stipulations)

Defendants: See Defendants' Exhibit List attached as Exhibit B (including stipulations)

ACTION BY THE COURT

(a) This case is scheduled for trial before a jury beginning on December 9th, 2019, at 1:30 PM.

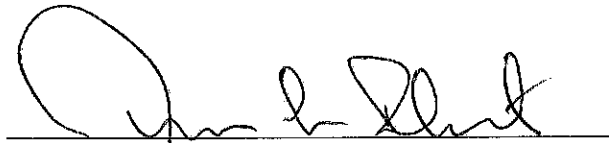
(b) Trial briefs shall be submitted to the court on or before December 4th, 2019.

(c) Jury instructions requested by either party shall be submitted to the court on or before December 4th, 2019. Suggested questions of either party to be asked of the jury by the court on voir dire shall be submitted to the court on or before December 4th, 2019.

~~(d) (Insert any other ruling made by the court at or before pretrial conference.)~~ *SP*

This order has been approved by the parties as evidenced by the signatures of their counsel. This order shall control the subsequent course of the action unless modified by a subsequent order. This order shall not be amended except by order of the court pursuant to agreement of the parties or to prevent manifest injustice.

DATED this 6th day of December, 2019.


United States District Judge James L. Robart

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